

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov

09-AFC-7C

TN 71452

JUN. 28 2013



June 28, 2013

**NOTICE OF AVAILABILITY OF THE
PRELIMINARY STAFF ASSESSMENT
FOR THE PROPOSED PALEN SOLAR ELECTRIC GENERATING SYSTEM
AMENDMENT (09-AFC-7C)**

TO: MEMBERS OF THE PUBLIC

This notice is to inform you that the California Energy Commission (Energy Commission) staff has prepared a Preliminary Staff Assessment (PSA). The PSA contains the Energy Commission staff's independent evaluation of the proposed Palen Solar Electric Generating System (PSEGS) amendment. The PSA is now available for public review and comment.

Under its certified regulatory program, Energy Commission staff has completed an independent assessment of the PSEGS Petition to Amendment (09-AFC-7C). The Energy Commission staff's preliminary conclusions are summarized in this notice.

The Energy Commission encourages public participation in the review of the PSEGS Amendment (09-AFC-7C). The public comment period for this PSA begins now and will continue for 30-days until 5:00pm on July 29, 2013.

With respect to the Energy Commission's CEQA review, the public and agencies may continue to comment on the PSA/DEIS or any aspect of the proposed PSEGS project, after the expiration of the 30-day comment period. The Energy Commission will accept and consider comments until the close of evidentiary hearings that will be noticed and held by the Energy Commission. Comments received after the close of the comment period, will be addressed by the Energy Commission's Committee in the Presiding Member's Proposed Decision (PMPD). The PMPD will be published after conclusion of the Energy Commission's evidentiary hearings.

The Energy Commission staff is planning to hold public workshops during July 2013. The workshops will be a forum to discuss the PSA with all stakeholders who are interested. In the near future, the Energy Commission will issue public notices of the workshop date(s), time and location.

If you wish to provide written comments on the project, please submit comments to the Energy Commission Dockets Unit. Please include the docket number (09-AFC-7C) for the PSEGS project in the subject line or first paragraph of your comments. If you wish to submit comments electronically, please provide them in either Microsoft Word format or as a Portable Document Format (PDF) to docket@energy.ca.gov. Please include your name or organization's name in the file name. If you are preparing non-electronic written comments, please mail or hand deliver them to:

California Energy Commission
Dockets Unit, MS-14
Docket No. 09-AFC-7C
1516 Ninth Street
Sacramento, CA 95814-5512

All written comments and materials filed with the Dockets Unit will become a part of the public record of the proceeding.

You can also subscribe to receive e-mail notification of all notices and announcements at: <http://www.energy.ca.gov/listservers>. By being on this email list, you will receive all project related notices and documents pertaining to the project's evaluation and review.

For additional information contact Christine Stora, Energy Commission Compliance Project Manager, at (916) 654-4745 or email at christine.stora@energy.ca.gov.

Energy Commission Licensing Authority

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50 megawatts (MW) and greater, proposed for construction in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA) and through its certified regulatory program produces Preliminary and Final Staff Assessments rather than Draft and Final Environmental Impact Reports.

Summary of the Amended Palen Electric Generating System

On December 17, 2012, the project owner filed a Petition to Amend with the Energy Commission requesting to modify the Palen Solar Power Project (PSPP) now called PSEGS. (<http://www.energy.ca.gov/sitingcases/palen/compliance/>) The PSPP, as licensed by the Energy Commission on December 15, 2010, is a 500-megawatt (MW) solar thermal power-generating facility utilizing parabolic trough technology. The project site is approximately 3,794 acres in size and is located approximately 0.25 mile north of Interstate 10, approximately 10 miles east of Desert Center and approximately halfway between the cities of Indio and Blythe, in Riverside County, California.

The modifications proposed in the 2012 Petition to Amend include replacing the parabolic trough solar collection system and associated heat transfer fluid with BrightSource's solar tower technology. Heliostats—elevated mirrors guided by a tracking system mounted on a pylon—focus the sun's rays on a solar receiver steam generator (SRSG) located atop a 750-foot tower near the center of each solar field to create steam to drive a turbine that generates electricity.

The modified project, the PSEGS, would be comprised of two adjacent solar fields and associated facilities with a total combined nominal output of approximately 500 MW. The project owner proposes to develop PSEGS in two operational phases. Each phase would consist of one solar field and power block with approximately 250 MW of generation capacity. Each solar field would have an array of approximately 85,000 heliostats for a total of 170,000 heliostats for the project. Each phase would also share common facilities, including an administration building, warehouse, evaporation ponds, maintenance complex with a meter/valve station for incoming natural gas service to the site, an on-site

switchyard, and a single-circuit 230-kV generation tie-line to deliver power to the electricity grid. Other on-site facilities would include access and maintenance roads (either dirt, gravel, or paved), perimeter fencing, tortoise fencing, and other ancillary security facilities.

The PSEGS amendment does not propose to change the generating capacity of the PSPP, or the site access, or the interconnection point at the Red Bluff Substation, although there would be a slight re-routing of the generation tie-line near the western end of the route and around the newly constructed Red Bluff Substation. A new natural gas pipeline is also proposed.

Summary of the California Energy Commission Staff's Preliminary Conclusions

Based upon the information provided, discovery achieved and analyses completed to date, Summary Table-1 on the following page illustrates the Energy Commission staff's preliminary assessment of the Petition to Amend and also identifies the areas where staff has requested additional information. Please review the PSA for a detailed discussion of the significance of staff's conclusions. These preliminary conclusions are subject to change in the FSA depending upon additional information and comments received.

**Summary Table 1
Environmental and Engineering Assessment**

Technical Area	Complies with LORS	Impacts Mitigated	Additional Information Required
Air Quality/Greenhouse gases	Undetermined	Undetermined	Yes
Biological Resources	Undetermined	Undetermined	Yes
Cultural Resources	Undetermined	Undetermined	Yes
Hazardous Materials	Yes	Yes	No
Land Use	Yes	Yes	No
Noise and Vibration	Yes	Yes	No
Public Health	Yes	Yes	No
Socioeconomics	Yes	Yes	Yes
Soil and Water Resources	Yes	Yes	No
Traffic & Transportation	Undetermined	Undetermined	Yes
Transmission Line Safety/Nuisance	Yes	Yes	No
Visual Resources	No	No	No
Waste Management	Yes	Yes	Yes
Worker Safety and Fire Protection	Yes	Yes	Yes
Facility Design	Yes	Yes	No
Geology & Paleontology	Undetermined	Undetermined	Yes
Power Plant Efficiency	N/A	Yes	No
Power Plant Reliability	Yes	Yes	No
Transmission System Engineering	Yes	Yes	No
Alternatives	To be provided in FSA		

Public Resources, Contact Information and Additional Sources for Information

If you desire information on how to participate in the Energy Commission's review of the proposed project, please contact Alana Mathews, the Energy Commission's Public Adviser, at (916) 654-4489 or toll free in California at (800) 822-6228, or by email at: publicadviser@energy.ca.gov.

The status of the project, copies of notices and other relevant documents are also available on the Energy Commission's web site: http://www.energy.ca.gov/sitingcases/hydrogen_energy/index.html. News media inquiries should be directed to Sandy Louey, at (916) 654-4989, or by email at: mediaoffice@energy.ca.gov.

Paper copies of the PSA will be available for review at the following local libraries:

Central Library
820 E. Street
San Diego, CA 92101

Palo Verde Valley Dist. Library
125 W. Chanslor Way
Blythe, CA 92225

Cathedral City Branch Library
33520 Date Palm Drive
Cathedral City, CA 92234

Coachella Branch Library
1538 Seventh Street
Coachella, CA 92236

Lake Tamarisk Library
43880 Lake Tamarisk Drive
Desert Center, CA 92239

Riverside Library – Main Branch
3581 Mission Inn Avenue
Riverside, CA 92501

Humboldt County Main Library
1313 3rd Street
Eureka, CA 95501

California Energy Commission Library
1516 9th Street
Sacramento, CA 95814

The PSA is also available at the Energy Commission and California State Libraries in Sacramento, and at public libraries in Eureka, Fresno, San Francisco, Los Angeles, and San Diego. In addition, electronic copies (CDs) will be distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

If you would like a paper copy or CD of the PSA, please fill out the enclosed form and return it to the California Energy Commission, attention: Alicia Campos, Project Assistant, or by e-mail at alicia.campos@energy.ca.gov.

Date: JUNE 28, 2013

Sincerely,



CHRIS MARXEN,
Compliance Office Manager

Cc: Mail List No. 7373,
Proof of Service list, and
Docket Unit

Please send me a paper copy / CD (**please circle one**) of the California Energy Commission's Preliminary Staff Assessment (PSA) for the proposed Palen Solar Electric Generating System project (PSEGS), Amendment (9).

Name:

Address:

City/State/Zip:

FOLD HERE

California Energy Commission
Attention: Alicia Campos
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512

FOLD HERE

Staple or Tape closed

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



June 28, 2013

Dear Librarian:

DOCUMENT HANDLING FOR THE PRELIMINARY STAFF ASSESSMENT FOR THE PROPOSED PALEN SOLAR ELECTRIC GENERATING SYSTEM (09-AFC-7C) and POSTING OF PUBLIC NOTICE

The enclosed Preliminary Staff Assessment (PSA) contains the California Energy Commission (Energy Commission) staff's preliminary engineering and environmental evaluation of the Palen Solar Electric Generating System (PSEGS), proposed to be located in the county of Riverside. Please make this PSA available for those who may wish to be informed about the project. We request that you not allow the PSA or any of its contents to be removed from the library. To increase accessibility of the document, we ask, if possible, that you cross-reference it as a general reference work under the title and author categories, as well as under such subjects as "Energy Commission," "electricity/energy generation," "power plant siting," or any other relevant subject. Please retain the enclosed letter to the public behind the front cover of the PSA.

The Energy Commission's siting process is open to the public and incorporates the input of the public as well as local, state, and federal agencies. To facilitate public participation in our review process, the Commission distributes copies of staff documents such as this PSA to public libraries in communities near proposed projects, and in major cities throughout the state. To assist the Commission in this effort, please retain a copy of the enclosed Notice of Availability behind the front cover of the PSA and also post a copy of the Notice of Availability in a place conspicuous and accessible to those members of the general public who visit the library.

Thank you for your cooperation. If you have any questions, please contact Christine Stora, Compliance Project Manager, at (916) 654-4745, or by e-mail at: Christine.Stora@energy.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Chris Marxen for".

Chris Marxen, Office Manager
Compliance Office

cc: Mail List No. 7373 (Notice, hardcopy and/or CD)

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET, MS-2000
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



June 28, 2013

**REQUEST FOR COMMENTS
ON THE PRELIMINARY STAFF ASSESSMENT
FOR THE PROPOSED PALEN SOLAR ELECTRIC GENERATING
SYSTEM (09-AFC-7C)**

To: AGENCY DISTRIBUTION LIST

This notice is to inform you that the California Energy Commission (Energy Commission) staff has prepared a Preliminary Staff Assessment (PSA) for the Palen Solar Electric Generating System (PSEGS) Petition to Amend.

The PSA, which was published on June 28, 2013, contains Energy Commission staff's independent, objective, preliminary engineering, public health, and environmental evaluation of the proposed PSEGS, based on the information provided by the applicant, government agencies, interested parties and other sources available at the time the PSA was prepared. The PSA includes staff's environmental and engineering evaluation of the PSEGS project in the following technical areas: **Air Quality, Biological Resources, Cultural Resources, Hazardous Materials Management, Land Use, Noise and Vibration, Public Health, Socioeconomics, Soil and Water Resources, Traffic and Transportation, Transmission Line Safety and Nuisance, Visual Resources, Waste Management, Worker Safety and Fire Protection, Facility Design, Geology and Paleontology, Power Plant Efficiency, Power Plant Reliability, and Transmission System Engineering.**

The California Energy Commission encourages public participation in the review of the PSEGS Petition to Amend. The public comment period for this PSA is from June 28, 2013, to July 29, 2013. Written comments on the PSA should be provided to Christine Stora, Project Manager, no later than 5:00 p.m., July 29, 2013, at the address on this letterhead, or by e-mail at Christine.Stora@energy.ca.gov. Technical or project schedule questions should also be directed to Christine Stora via the mail or e-mail options noted above, or by telephone at (916) 654-4745.

Following the comment period on the PSA and one or more staff-led public workshops on the PSA, staff will prepare a Final Staff Assessment (FSA) which will serve as staff's formal testimony in evidentiary hearings to be held by the Energy Commission's Committee assigned to hear this case. The Committee will hold evidentiary hearings to consider the recommendations presented by staff, applicant, intervenors, government agencies, and the public prior to proposing its decision. In the last step, the full Energy Commission will issue the final decision.

SUMMARY OF THE PROPOSED PALEN SOLAR ELECTRIC GENERATING SYSTEM

On December 17, 2012, Palen Solar Holdings, LLC (PSH) filed a petition with the Energy Commission requesting to modify the Palen Solar Power Project (PSPP). (see <http://www.energy.ca.gov/sitingcases/palen/compliance/>). The project, as licensed on December 15, 2010, by the Energy Commission, is a 500-megawatt (MW) solar thermal power generating facility utilizing parabolic trough technology. The project site is approximately 3,794 acres and is located approximately 0.25 mile north of Interstate 10, approximately 10 miles east of Desert Center and approximately halfway between the cities of Indio and Blythe, in Riverside County, California.

In the 2012 petition, PSH proposes changes to the approved site layout and technology associated with the approved project. The modified project would use solar tower technology. Heliostats—elevated mirrors mounted on a pylon guided by a tracking system—would be used to focus the sun’s rays on a solar receiver steam generator (SRSG) located atop a 750-foot tall solar tower near the center of each solar field.

The modified project would be comprised of two adjacent solar fields and associated facilities with a total combined nominal output of approximately 500 MW. PSH proposes to develop PSEGS in two operational phases: each phase would consist of one solar field and power block with approximately 250 MW of generation capacity. Each solar field would have an array of approximately 85,000 heliostats for a total of 170,000 heliostats for the project. Each phase would also share common facilities, including an administration building, warehouse, evaporation ponds, maintenance complex and a meter/valve station for incoming natural gas service to the site, an on-site switchyard, and a single-circuit, 230-kV generation tie-line to deliver power to the electricity grid. Other on-site facilities would include access and maintenance roads (either dirt, gravel, or paved), perimeter fencing, tortoise fencing, and other ancillary security facilities.

The PSEGS amendment does not propose to change the generating capacity of the Energy Commission-approved project, the site access, or the interconnection point at Red Bluff Substation, although there would be a slight re-routing of the generation tie-line near the western end of the route and around the newly constructed Red Bluff Substation.

ENERGY COMMISSION LICENSING AUTHORITY

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50-MW and greater, proposed for construction in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants, and all related facilities such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), and, as a certified regulatory agency pursuant to Public Resources Code section 21080.5, produces several environmental and decision documents rather than an Environmental Impact Report.

SUMMARY OF CALIFORNIA ENERGY COMMISSION STAFF'S PRELIMINARY CONCLUSIONS

Based upon the information provided and analyses completed to date, staff concluded that the PSEGS, as modified, would comply with all applicable laws, ordinances, regulations, and standards (LORS) with regard to Hazardous Materials, Land Use, Noise and Vibration, Public Health, Socioeconomics, Soil and Water Resources, Transmission Line Safety and Nuisance, Waste Management, and Worker Safety and Fire Protection, and would not result in unmitigable, significant, adverse environmental impacts.

Staff has identified additional informational needs in Air Quality/Greenhouse Gases, Biological Resources, Cultural Resources, Traffic and Transportation, Waste Management, and Worker Safety and Fire Projection. Because of the current lack of data, staff has not determined if the PSEGS, as modified, would comply with all applicable LORS with regard to Air Quality/Greenhouse Gases, Biological Resources, Cultural Resources, and Traffic and Transportation, or if significant impacts in those areas could be mitigated. Staff will make the final determination when all information is provided.

Staff has determined that the PSEGS, as modified, would not be consistent with several LORS and would result in significant, unmitigable, adverse environmental impacts in Visual Resources.

AVAILABILITY OF THE PRELIMINARY STAFF ASSESSMENT

The status of the project, an electronic copy of the PSA, copies of notices, and other relevant documents are available on the Energy Commission's webpage for this amendment: <http://www.energy.ca.gov/sitingcases/palen/compliance/>. You can also subscribe to receive e-mail notification of all notices and announcements by completing the List Server information in the right margin of the webpage noted above.

Sincerely,

Date: JUNE 28, 2013

Chris Marxen for
Chris Marxen, Office Manager
Compliance Office

cc: Agency List No.7373 (Notice and CD)



**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV**

**PALEN SOLAR ELECTRIC
GENERATING SYSTEM AMENDMENT**

**Docket No. 09-AFC-07C
PROOF OF SERVICE
(Revised 06/19/2013)**

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publicadviser@energy.ca.gov

COMMISSION DOCKET UNIT

California Energy Commission
Docket Unit

Attn: Docket No. 09-AFC-07C
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.ca.gov

**OTHER ENERGY COMMISSION
PARTICIPANTS (LISTED FOR
CONVENIENCE ONLY):**

***After docketing, the Docket Unit
will provide a copy to the persons
listed below. Do not send copies of
documents to these persons
unless specifically directed to do
so.***

KAREN DOUGLAS
Commissioner and Presiding Member

DAVID HOCHSCHILD
Commissioner and Associate
Member

Kenneth Celli
Hearing Adviser

Galen Lemei
Adviser to Presiding Member

Jennifer Nelson
Adviser to Presiding Member

Gabriel D. Taylor
Adviser to Associate Member

Eileen Allen
Commissioners' Technical
Adviser for Facility Siting

DECLARATION OF SERVICE

I, Christine Stora, declare that on June 28, 2013, I served and filed copies of the attached Notice of Availability (NOA) for the Public, Libraries, and Agencies, dated June 28, 2013. This document is accompanied by the most recent Proof of Service, which I copied from the web page for this project at:
<http://www.energy.ca.gov/sitingcases/palen/compliance/>.

The document has been sent to the other persons on the Service List above in the following manner:

(Check one)

For service to all other parties and filing with the Docket Unit at the Energy Commission:

 X I e-mailed the document to all e-mail addresses on the Service List above and personally delivered it or deposited it in the U.S. mail with first class postage to those parties noted above as "hard copy required";
OR

 Instead of e-mailing the document, I personally delivered it or deposited it in the U.S. mail with first class postage to all of the persons on the Service List for whom a mailing address is given.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am over the age of 18 years.

Dated: June 28, 2013

Christine Stora